



**A study into the motivations for
participation in environmental certification
schemes by
the tourist accommodation sector**

Bachelor Thesis for Obtaining the Degree:
Bachelor of Business Administration
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Affidavit

I hereby affirm that this Bachelor Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed.

The thesis was not submitted in the same or in a substantially similar version, not even partially, to another examination board and was not published elsewhere.

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Abstract

Ecolabels are management tools which have the potential to improve the environmental performance of the tourism industry. Success in achieving this objective is dependent on the strictness of the assessment criteria employed, and participation rates among the myriad existing service providers. However, more than twenty years after the inception of the first touristic ecolabel, market penetration remains extremely low.

Individual schemes have primarily been marketed by appealing to the bottom line, but the business case for certification is weak at best. Customer demand for ecolabels is virtually non-existent, and much touted cost-savings can be shown to actually result from effective management rather than certification. Certification has been shown to help new businesses in attracting investment and in obtaining permits to operate in protected areas, yet these benefits are applicable to only a minority of the SMEs which dominate the tourism industry. A chronic lack of reliable data on these economic impacts makes an accurate cost benefit analysis impossible, thereby further detracting from the appeal of eco-certification.

A small proportion of accommodation businesses are becoming certified despite the current market conditions. Some of these managers are motivated by egoistic values, pursuing certification for the strategic development of their brand due to the conviction that consumer demand is set to increase in the medium term. Others are driven by altruistic and biospheric values. They become certified to reconcile their business operations with their personal values regarding social equity and the environment.

Enrolment in certification schemes could be encouraged by public agencies through the implementation of financial incentives or by requiring certification before operating permits are granted. Certain distribution channels have the potential to spread awareness and influence the level of customer demand. The schemes themselves could promote participation through greater and better focussed marketing efforts. Research and communication of actual economic impacts and the use of accreditation to increase credibility and recognition would encourage membership on egoistic grounds. Marketing communications may also be successful in appealing to the emotions and personal values of decision makers.

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List of Abbreviations

CSR	Corporate social responsibility
EC	Environmental concern
EU	European Union
GSTC	Global Sustainable Tourism Criteria
IHG	InterContinental Hotel Group
MICE	Meetings, Incentives, Conventions, Exhibitions
NGO	Non-governmental Organisation
ÖGNI	Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft (Austrian Ecolabel)
SMEs	Small and Medium Sized Enterprises
STSC	Sustainable Tourism Stewardship Council
SWOT	Strengths, weaknesses, opportunities, and threats
TIES	The International Ecotourism Society
TSC	Tourism Sustainability Council
US	United States
UNWTO	United Nations World Tourism Organisation

1. Introduction

Public awareness regarding the negative impacts of human activities on the environment is constantly growing. Issues such as pollution, global warming, species extinctions, and resource shortages have prompted a critical analysis of the way in which our behaviours influence the planet (Gore, 2006). Attention, and corresponding action, initially focussed on those primary industries which were considered to contribute the greatest impact such as mining and forestry operations. Throughout the world, governments have responded by legislating to reduce harmful emissions, while industry groups and individual companies have taken the initiative to self-regulate their conduct. The tourism industry, although relatively slow to respond to the change in consciousness, has not been exempt from such concerns.

It is an inherent characteristic of the tourism product that consumption occurs at the site of production. The consumer is an inseparable component in this process, as is the destination with its specific assets and qualities. The tourism industry at any destination is therefore dependent on the cultural and physical environments for its continued success. Unlike most other industries, tourism has the potential to enhance these various environments, as well as to use them for profit (Bartlett, 2007). Clearly there exists considerable scope for improvement by reducing tourism's negative impacts and enhancing its positive ones.

One tool for achieving this objective is the use of ecolabels to guide the actions of responsible businesses, and to inform other stakeholders about which businesses are performing well and are worthy of their support. At present certification is generally applied as a voluntary process. Consequently, no environmental benefits will eventuate from ecolabels unless businesses are motivated to seek certification.

1.1 Problem definition

The present study is founded on the findings of previous studies. The following set of suppositions has been extracted from the literature and constitutes the starting point for further investigation.

- Ecolabels can be a tool for improving the environmental performance of the tourism industry.
- While such labels remain as voluntary measures, success in doing so is dependent on schemes with strict regulations achieving a high level of participation.
- Consumer perception of ecolabels is confused at best.

- No evidence has been forthcoming to support the claim that substantial customer numbers proactively seek ecolabels.
- Without consumer recognition, the market mechanism fails to provide firms with a proven competitive advantage.
- Despite the lack of supporting evidence, ecolabels continue to be marketed along economic lines with a relatively low success rates.
- Firms may also have other motivations which encouraged them to participate in certification schemes.

This study proposes to inform the debate regarding ecolabels by investigating the specific motivations of businesses in becoming certified. Initially, this involved seeking evidence to support the listed suppositions, and to answer questions such as: “does certification confer a marketing advantage on certified businesses?” The study has also sought to probe other effects of certification suggested in the literature review, in order to confirm or refute these as motivating factors.

The study has focussed on accommodation businesses, which have thus far accounted for the majority of certified businesses within the tourism sector. It is hoped that the information yielded will find an application in adapting and marketing certification schemes in order to gain greater acceptance in the marketplace, thereby improving the environmental performance of the industry.

1.2 Research approach

A mixed research style was adopted, with different methods used to obtain various types of data. Initially, a comprehensive literature review was conducted on sustainable tourism certification and specific questions were identified within the current body of knowledge. Further secondary research was conducted online in order to chart the development and the current situation of hotel certification in Austria.

Quantitative research continued with a survey conducted at the four-star Falkensteiner Hotel Palace, Vienna, to gauge the attitudes of guests towards issues of sustainability and certification.

The most significant research component was a series of in-depth expert interviews. In this qualitative phase, opinions were sought from the foremost industry representatives

available. Certified and non-certified hotels were contacted, as well as an industry consultant and a representative from a leading ecolabel.

Full details of research procedures are included in the methodology section, with interviewee profiles included as Appendix I and the questionnaire with results included as Appendix II.

2. Literature review

2.1 Sustainable development

Sustainable development has been best defined as ‘a process to meet the needs of the present without compromising the ability of future generations to meet their own needs’ (Brundtland, 1987). This process requires consideration for the environmental, social and economic impacts of all activities, which are collectively referred to as the “triple bottom line” (Elkington, 1997). In the context of the tourism industry, these three pillars find application in the following ways:

Environmental: Optimising the use of resources, maintaining ecological processes and conserving biodiversity.

Social: Respecting the built and living cultural heritage and traditional values of host communities, and contributing to inter-cultural understanding.

Economic: Ensuring long-term economic operations which provide benefits to all stakeholders that are fairly distributed, including employment, social services and poverty alleviation in host communities. (Bartlett, 2007)

Some cynics claim that sustainable tourism is a contradiction in terms (Gossling et al, 2009). By strict standards of social equity, it must be conceded that the annual movement around the globe of millions of affluent tourists cannot be described as sustainable. Consequently, sustainable tourism should not be viewed as an absolute state, but as a process which has the realistic aim of ensuring that all forms of tourism activities, operations, establishments, and projects are striving to achieve a higher level of performance across the three pillars (Bartlett, 2007).

2.2 Environmental certification

Environmental certification schemes have recently emerged as a means of recognising those businesses which seek to act in an environmentally responsible fashion. Ecolabels are the visual, and ideally readily recognisable, symbols which may be displayed by certified companies in order to communicate their level of environmental performance to customers, the general public, government authorities, and other stakeholders (Honey, 2002). Individual schemes may be limited to consideration of environmental aspects, as is the case with the EU Ecolabel, or they may include social and economic elements to create a more thorough measurement of sustainable practices, such as in the Green Globe scheme. For the purposes of this study, an inclusive definition of environmental certification schemes and ecolabels has been adopted to include all programs which measure environmental performance, regardless of their inclusion of other sustainability criteria.

Essentially, such programs define certain standards and assessment criteria against which the conformity of businesses may be evaluated by a recognised body (Toth, 2000). Standards can be differentiated as voluntary or mandatory, formal or informal, and related to performance or process (Toth, 2000). Performance-based standards define critical threshold levels which are possible to measure by external audit, and may be used to benchmark the performance in a specific context (Maccarrone-Eaglen & Font, 2002). In contrast, process-based standards merely encourage organisations to improve their performance through the application of an environmental management system (EMS) and award this commitment, yet provide no guarantee of sustainability (Maccarrone-Eaglen & Font, 2002). Voluntary, process-based standards have been more widely applied in the development of ecotourism programs such as Green Globe and Blue Flag. The operation of these programs in a range of countries with different resource availabilities and dissimilar environmental challenges makes the definition of performance-based thresholds impossible. Furthermore, process-based standards can be seen to include and encourage those businesses which are currently performing very badly and therefore have the most potential to improve their performance and reduce their negative environmental impacts.

2.3 Development of ecolabels

Following the introduction of the first ecolabel by Blue Flag in 1985, the number of schemes has proliferated. In 2002 the UNWTO identified over 100 ecolabels, with the majority

administrated by private organisations and NGOs (UNWTO, 2002). In February, 2011, 378 schemes were listed on the Ecolabel Index (Ecolabel Index, 2011), although not all of these had a direct relationship to the tourism sector. The schemes vary as to their geographic scope, which ranges from international to local jurisdiction, the scope of the criteria, and their target segment (Sasidharan et al, 2002). The scope of the criteria may be limited to consideration of the built infrastructure, as is the case with the Austrian ÖGNI label (Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft or Austrian Green Building Council), or it may focus on operational aspects of the business, as seen with the Österreichische Umweltzeichen (Austrian Ecolabel). Within tourism, distinctions can be made between schemes which apply to entire destinations and those which are limited to the accommodation, food and beverage, or transport sectors (Sasidharan et al, 2002). Font and Bendell (2002) revealed that adoption rates varied widely across different tourism segments, with 68% of ecolabels awarded to the accommodation sector, 18% to destinations, 7% to tour operators, 5% to sport and leisure facilities, and 2% to transport. This disproportionate distribution may be explained by the lack of sophistication of the schemes on the one hand, while the relatively heterogeneous nature of accommodation services makes their performance more easily measurable against standards (Maccarrone-Eaglen & Font, 2002). This paper will focus its attention on the important accommodation sector.

2.4 Measures of success

When considering certification schemes as a tool designed to improve the environmental performance of an industry, their effectiveness in achieving this goal can be expressed as a function of two factors; the strictness of the criteria and the level of participation in the scheme (Font, 2002).

		<u>Level of participation</u>	
		Low	High
<u>Strictness of criteria</u>	High	Ineffective	Effective
	Low	No effect	Ineffective

Figure 1: Matrix of certification effectiveness (Font, 2002)

This paradoxical equation demonstrates one reason that certification schemes have thus far been ineffective in greening the industry. International schemes such as Green Globe have the potential to achieve a high level of participation, yet generally feature broad, ineffective criteria and fail to reflect the significance of acute regional issues. These standards remain largely process-based due to the impossibility of setting performance standards which are both fair and effective across a variety of different physical, political and social environments. In arguing against the development of Global Sustainable Tourism Criteria, Professor Harold Goodwin of the International Center for Responsible Tourism claims that the diversity of the world precludes such generalisations, and observes that there is still no global certification scheme for hotel room quality, “which should be an inherently simpler task” (Goodwin, 2010).

Local schemes conversely, are better able to address critical issues with appropriate regulations, yet lack the scope and resources needed in order to achieve significant consumer awareness and market share (Font, 2005). It may be possible at the local level to define specific threshold levels for the environmental performance of businesses which guarantee sustainability, rather than the mere promise of gradual improvement afforded by process-based standards. The problem posed here is how local schemes can attract membership applications despite the lack of consumer awareness, and the corresponding lack of consumer demand.

Accreditation may provide some remedy to this conundrum. Accreditation is the process of verification by another authority that a certifying body is competent to conduct such tasks, or “certification of the certifiers” (Toth, 2000). The additional labels conferred by accreditation schemes to certification schemes have the potential to achieve a wider geographic range and better consumer recognition.

2.5 Obstacles to success

Consumers have been bombarded with messages of “eco-this” and “green-that” in the past decade, which has led to apathy in some and confusion in others (Conaghan & Hanrahan, 2009). Ecotourism, for instance, is an ambiguous term which is understood by some to refer to tourism with “concern for the environment”, and by others as the visitation of a “natural” place (Maccarrone-Eaglen & Font, 2002). The diversity of standards and assessment criteria, combined with the rapid increase in ecolabel products, has caused

difficulties for consumers in identifying with the symbols and created confusion as to their meaning (Maccarrone-Eaglen & Font, 2002).

Consumer recognition of labels is especially challenging in tourism, where a constant sampling of new products occurs in unfamiliar markets. It may be unrealistic to expect a significant number of tourists to recognise ecolabels which are unique to their chosen travel destination. The complexity of the issue is amplified by language barriers which reduce the probability that foreign tourists will understand the criteria behind the label. Even a relatively widespread label such as the Austria ecolabel “Das Österreichische Umweltzeichen” fails to display any information on their website in any languages other than German. For the foreign tourist to Austria who is seeking to patronise only responsible businesses, this presents complications in recognising certified businesses, and understanding what they have been certified for.

Some bodies within the industry take the view that tourists are not ready for sustainable products and are not willing to pay more for them. Although there is less evidence that tourists have actually taken action to change their travel and consumption patterns, it is nevertheless clear that levels of public concern about sustainability are increasing. Bartlett (2007) cites the rapidly evolving market for expensive organic food in claiming that people are willing to pay when they are convinced of the benefits and feel that they are receiving good value for money. Although organic food may be more closely linked to health issues than environmental issues in the minds of consumers, the concepts of perceived benefits and value for money are crucial to customers’ decisions to purchase.

2.6 Costs of sustainability

There exists a widely held perception that more sustainable operations necessarily incur greater costs and are therefore more expensive for the consumer (Chafe, 2005). However, it has been the experience of many businesses that certain changes in the direction of more sustainable operations actually assist in reducing the expenses. Probably the most obvious examples are the savings associated with reducing surplus energy and water consumption. Other changes such as infrastructure modifications and the implementation of sustainable systems do involve a significant one time investment, while a third category of changes associated with procurement and employment policies often involve an increase in operating expenses which are of an on-going nature (Sasidharana et al, 2002).

Registration and membership fees paid to certification schemes add yet another expense which is generally born by the certified company, although some government and industry bodies have moved to subsidise these costs for certain businesses (Sasidharana et al, 2002).

Number of rooms	Annual membership fee
5 to 19	€ 650
20 to 59	€ 1,200
60 to 99	€ 2,000
100 to 249	€ 2,900
over 250	€ 4,500

Figure 2: Green Globe price structure (Green Globe, 2010)

Green Globe membership fees vary according to the capacity of the hotel (see Figure 2). In addition to these substantial fees, the hotel must pay the cost of an external audit which is required annually and adds several thousand euros to the annual expenses (Reiner, 2011). Given the considerable costs involved in transforming the average business into a certified sustainable business, it is clear that some benefit must flow from this process in order to encourage participation.

2.7 Competitive advantage

Many proponents of ecolabels, including the schemes themselves, claim that the award of a label confers to certified businesses a source of competitive advantage. As a typical example, the Green Globe website (2010) reports that; “Green Globe certified businesses enjoy a natural marketing advantage”. Appropriately vague in its wording, such a statement doesn’t provide any information as to how this marketing advantage will manifest itself other than “naturally”. This implies an inevitable development which will eventuate passively without further effort from the certified business. While such claims may be influential for some businesses, they certainly require further investigation.

Some authors contend that consumer choice of travel products is effectively influenced by ecolabels, and that the market mechanism encourages industry to participate in such schemes, thereby reducing the environmental impacts of tourism (Buckley, 2001). Research

has failed to substantiate such claims however, despite public appeals for supporting evidence (Goodwin, 2010). Some authors claim more conclusively that consumer buying behaviour has proven to be immune to the ecolabel's stamp of approval (Pina, 2004).

Further, research has demonstrated that travellers' attitudes, environmental concern and even their willingness to pay a premium for environmentally responsible travel do not translate into changes in buying behaviour (Reiser & Simmons, 2005). A tendency has been observed for consumers, when asked questions relating to environmental issues, to answer with socially desirable responses even when there exists a large discrepancy to their actual behaviours (Reiser & Simmons, 2005).

In displaying the following statistic on their website, "Green Globe certified hotels enjoy 5-7% higher occupancy" (Green Globe, 2010), there is an inference that the higher occupancy rates are a result of the certification process, although the company is careful not to explicitly make this connection. An alternative interpretation would be that both the probability of seeking certification and the occupancy rates of hotels are influenced by the confounding factor of effective management. It could also be argued that only those hotels which are financially secure are able to pursue optional projects such as certification. Font and Harris (2004) acknowledge the reports of several companies which claim an increase in visitor satisfaction resulting from the improvements which were made in order to become certified, but not necessarily because of being certified.

Pina (2004) contends that even ecolabels which become able to demonstrate a clear marketing advantage will be unable to achieve a wide market penetration. In the low-margin tourism industry where differentiation is the prevailing marketing strategy, tools which are available to all of a firm's competitors cannot offer a sustainable advantage (Pina, 2004). Large hotel groups which value their own brand in the marketplace in preference to established rating systems have demonstrated the widespread disregard for grading systems (presumably including ecolabels) which effectively commoditise their offerings (Pina, 2004).

Despite their negligible ability to influence travellers' buying behaviour, ecolabels have been positioned as a voluntary, industry-driven initiative which relies on the market mechanism to reward participants for sustainable behaviour. This study will seek to inform the debate regarding the true economic impact of certification on accommodation businesses.

2.8 Motivations for participation

In the absence of a demonstrable marketing advantage, what then could induce businesses to seek environmental certification? One possibility is misguided perceptions regarding the economic impact of certification on business operations as a result of persuasive marketing campaigns. Another possibility is the prediction that the competitive advantage provided through the market mechanism will be stronger in the near future. Alternative motivations for becoming certified have also been suggested.

The Green Globe website suggests that certification can “increase operational efficiencies, maximise guest experience, minimise environmental impacts and improve your bottom line” (Green Globe, 2010). While credible, this list presents the advantages of acting in a sustainable manner, rather than the advantages of being certified. Certification should be viewed as a tool for the planning and communication of responsible practices, rather than the actions themselves which may be undertaken independently of a certification process. While the guidance of sustainable activities is a valuable function performed by ecolabels, it must be recognised that it is also possible to access many criterion lists online and use them as planning tools without incurring the administrative costs associated with becoming officially certified.

By process of elimination then, the value of an ecolabel to a certified company must lie in its ability to communicate information to various stakeholders such as employees, customers, investors, competition, authorities, media and the general public. Such communication may: cultivate a greater degree of peer recognition (Font, 2002); result in improvements in employee satisfaction (Chafe, 2005); stave off stricter government legislation (Font, 2002); enable the receipt of operating permits by demonstrating compliance with land management agency regulations (Buckley, 2001); protect the brands of large firms against negative publicity (Font, 2002); enable the company to attract investment (Sasidharana et al, 2002); afford marketing support by the issuing authority (Chafe, 2005); or encourage cooperation between local stakeholders in defining standards to improve the development of sustainable tourism (Font, 2002).

2.9 Environmental values

Stern et al (1999) demonstrated that environmental concern (EC) has its foundations in a person's values, and distinguished three clusters of environmental values according to the extent that they are concerned with self-interest. Egoistic values focus purely on self-oriented goals such as power, wealth and success. Altruistic values include oneself as well as other people such as family, community and humanity. Meanwhile, biospheric values indicate concern for all living things including plants, animals, oneself and other people (Stern et al, 1999). A palpable relationship can be observed between the three pillars of sustainability and the three values motivating environmental behaviour. Economic concerns result purely from egoistic values and dominate the business world. Socio-cultural issues primarily reflect altruistic values, although these issues may also be perceived as personally beneficial.

The outcomes of certification schemes espoused by the literature have their benefits grounded in values, and may therefore be classified according to this value system. Specific benefits for the individual firm (the self) are features common to each of the consequences listed, which may therefore be interpreted as motivated by egoistic values. This finding is hardly surprising given the context that tourism is dominated by SMEs in the private sector (Maccarrone-Eaglen & Font, 2002).

Two of the outcomes listed in the previous section go further to suggest an additional benefit as well as economic advantages for the business. Improvements in staff morale, and the inclusion of other stakeholders, affect "other people" as well as the business, and may therefore be interpreted as motivated by altruistic values.

Noticeably absent from the analysis is the presence of outcomes motivated by biospheric values. Most measureable improvements with respect to "all living things" will actually result from sustainable actions themselves, rather than the communication of these actions. When considering ecolabels as tools for education and the planning of improvements however, criterion lists are certainly useful in reducing environmental impacts. Either this element has been considered too obvious to warrant mentioning in an academic paper, or the leading authors are cynical about business motivations and consequently fail to identify "reducing environmental impacts" as a motivation for participation in certification schemes.

3. Methodology

A mix of research styles was adopted, with different methods used to obtain various types of data. The first objective was to confirm or refute the accounts of the current situation presented in the literature. This involved determining the actual market penetration of certification schemes and the current level of consumer demand. A quantitative approach was adopted for these components. The second and major phase of the study was concerned with revealing the motivations of businesses in becoming certified, and was deemed best suited to a qualitative approach using expert interviews.

3.1 Certification in Austria

An online investigation was conducted in order to establish the current state of eco-certification in Austria. Many ecolabels are active in Austria, but most of these relate to products rather than services. Two labels in particular dominate the accommodation sector, Österreichisches Umweltzeichen (Austrian Ecolabel) and the EU Ecolabel. Both schemes were created in the early 1990s and address themselves primarily to informing public and private purchasers about products and services that are kinder to the environment and for European consumers. Both schemes also require an independent third party audit in order to become certified. An obvious difference between the two is the geographical scope which is limited to Austria for one, and extends to the entire EU for the other. Each label publishes online a comprehensive list of their certified members, thereby making the collection of data a straightforward task.

The Österreichisches Umweltzeichen had certified 145 accommodation businesses as at February 2011, of which 7 were campsites (umweltzeichen.at, 2011). The EU Ecolabel by comparison, had certified 25 businesses including 14 campsites by the same stage (ecolabel.com, 2011). Green Globe, the world's leading international certifier, has not certified any accommodation businesses so far, despite marketing campaigns and the presence of company representatives in Austria. This demonstrates a clear preference for businesses to favour domestic schemes when other considerations are equal. In total, 170 Austrian accommodation providers were counted as being eco-certified. Statistics Austria collects data from 66,200 private and commercial accommodation providers (statistik.at, 2010). This equates to a certification level of less than half of one per cent, although this number would be higher if other less popular schemes had been included in the calculation. In any

case, certified businesses comprise only a small minority of accommodation establishments.

3.2 Quantitative research

The researcher designed, conducted, and analysed a customer survey in order to gauge the attitudes of hotel guests towards issues of sustainability and certification. While the population for the survey includes all Austrian hotel guests, the sample group was limited by convenience factors. In order to target only hotel guests, an arrangement was made to conduct the survey at the four-star Falkensteiner Hotel Palace in Vienna. The survey was conducted between December 2010 and January 2011 at the hotel reception, where all guests were asked to participate as they checked in to the hotel. Around 70 per cent of those asked agreed to participate. This convenience sampling technique yielded a total of 74 respondents.

A paper questionnaire was chosen as the survey medium to overcome the language difficulties associated with international tourists. The document was available in English and German to accommodate the majority of the hotel's guests. Two questions collected demographic data on age and gender and one question asked respondents to rank their considerations when booking a hotel from options on a prescribed list. The other eleven questions probed the respondents' attitudes and behaviours towards specific environmental measures that could be adopted by a hotel. A five point scale was devised for these eleven questions using the response options: It should not be done; It is not important; It should be done; I will benefit; I seek such features. This ordinal scale does not allow for statistical analysis, but it does give respondents the possibility to demonstrate their attitudes, or their environmentally positive behaviour.

In line with the findings of previous studies, the researcher expects that the majority of respondents will be in favour of the proposed environmental measures. Many will go further to claim that they are willing to pay more for these features. Like most accommodation businesses in Austria, the hotel is not eco-certified, and does not communicate to guests about any environmental practices which have been implemented. Consequently, it would be surprising to obtain the finding that guests claim to "seek these features".

Analysis of the results has been limited by the ordinal nature of the data to popularity of each response option. Other limitations of the survey include the small sample size collected in a single location using a non-probability sampling technique. Previous studies

have also demonstrated the difficulty in accurately gauging consumer intentions regarding environmental products due to the likelihood of receiving socially desirable responses (Reiser & Simmons, 2005).

A copy of the survey with response values is included as Appendix II.

3.3 Qualitative research

In the pursuit of revealing new information regarding business motivations, a qualitative approach was adopted during the next component of the study. Qualitative research is used to gain insight into people's culture, attitudes, behaviours, lifestyles, value systems, or motivations. It also has the benefit of enabling the generation of new ideas which had not been previously identified.

Primary research took the form of a series of in-depth interviews to obtain opinions from a range of experts associated with the industry. An interview guide was created comprising several broad open-ended questions such as: Why do accommodation providers become certified? What are the major considerations in selecting a particular scheme? Why do more businesses not become certified? A list of possible answers to the questions was also compiled from the literature. After being given the opportunity to freely address each question, the interviewees were asked to comment on any of the list items which they had failed to previously mention. In addition, specific questions were identified which were relevant to particular experts, such as: Why do you not display your ecolabel on your website?

Interviewees were selected according to their position, experience, and availability. Initially, a list of relevant positions was composed. Four categories of expertise were identified as valuable to the study: representatives from ecolabels; accommodation sector consultants; decision makers from certified hotels; and decision makers from non-certified hotels. The researcher then attempted to identify and contact the foremost industry representatives available in each of these roles. Care was taken regarding the hotels contacted to locate the strategic rather than the operational decision makers. Four of the five interviewees agreed to being identified for the purposes of the study, and a brief profile stating their current positions and relevant experience is included as Appendix I.

The interviewees were:

Mr Karl Reiner DI, Green Globe auditor

Ms Martina Maly, Senior Consultant

Mr Bernreiter, Independent Hotelier

Mr Sascha Dimitriewicz, hostel CEO

Anonymous Interviewee, Marketing Director for IHG

Four of the five interviews were conducted in person at the offices of the interviewees, with only the interviewee and the researcher present. The interviews were informal discussions which progressed organically from the questions in the interview guide. The interviews were digitally recorded and lasted an average of 45 minutes each. Several follow-up questions were posed to one interviewee following the initial interview to clarify some unclear statements. The fifth interview was conducted via a series of email and telephone communications over a period of several weeks. Interview transcripts were subsequently analysed to reveal areas of consensus and disagreement, as well as any new ideas generated.

The researcher anticipates a high degree of variety among the responses to the questions posed. It is expected that respondents will identify the supposed marketing advantages touted by the schemes themselves as the primary motivation for businesses to become certified, despite the lack of supporting evidence to be found in the literature. Any evidence to support these so far unsubstantiated claims would be a surprising yet valuable finding. It is expected that many of the other motivations identified from the literature will also be recognised. Consensus as to the importance of these “secondary” motives is considered valuable for the future marketing of certification schemes.

4. Results and discussion

4.1 Consumer demand

4.1.1 Customer Survey

While the non-probability sampling technique means that the results cannot be reliably extrapolated to comment on all guests in Austria, some of the striking findings from the survey lend support to theories espoused by previous studies. Demographic data from the

74 valid responses show an even distribution of ages, with a median value between 35 and 44 years old. The responses appeared on the surface to reveal a significant consumer demand for sustainable accommodation backed by certification schemes, and a willingness to pay more for these features. Over 30% of respondents ranked environmental performance among their top five considerations when booking a hotel. 86% of respondents were in favour of communicating efforts towards sustainability through the use of a recognised eco-label. 59% of respondents indicated that they would be willing to pay more to stay in a hotel which is concerned about the environment. These results would seem to suggest a latent demand for certified hotels, and the potential for profitability through the implementation of a price premium. Responses to the remaining survey questions however, indicate a clear discrepancy between guest claims and their actual behaviours.

A series of questions asked the guests their opinions on a range of specific environmental measures which could be implemented by a hotel, and the following response options were offered: It should not be done; It is not important; It should be done; I will benefit; I seek such features. Guest responses were overwhelmingly in favour of the implementation of each reform (96%), with some also recognising a personal benefit (16%). More interesting were the 28% of the sample group who claimed to actively seek these features. It should be noted that these 'proactive customers' were surveyed at the reception of a hotel which does not offer many of these features, and does not communicate to its guests when it performs well on issues of sustainability. This highlights the inconsistency between consumer actions and intentions, and supports the findings of Reiser and Simmons (2005).

The accommodation providers interviewed were under no illusions as to the effective level of consumer demand for certification. All three interviewees, from both certified and non-certified establishments, dismissed the notion that certification had had any impact on their occupancy rates, either positively or negatively. One claimed:

We didn't do it for our guests; I don't think they even take any notice
(Dimitriewicz, 2011).

So little credence is given to the interest of the consumer in ecolabels, that neither of the two certified businesses interviewed even displays their certification on their company websites or booking portals. It was unanimously agreed however, that this situation is likely to change in the future. In the coming years, public interest will translate into effective

demand for sustainable products, and consequently for certification. Furthermore, it was observed that the change will be led by business travellers.

4.1.2 Guest Mix

Future guests will also decide to stay in hotels which are environmentally friendly, more than those which aren't. As a matter of fact, in the US there are already corporate contracts being concluded with hotels where certain companies only book with hotels which are environmentally friendly because it forms part of their philosophy, and it comes ever more into the public eye how they present themselves as a company. On almost any company website you can find a section dedicated to CSR, so it is already important and is becoming more so (Maly, 2010).

The IHG interviewee supported this assertion by referring to the interest in environmental issues of companies booking MICE services. Indeed, marketing communications with business clients are much more sustainability oriented than with leisure guests. Sustainability has become a prerequisite for some companies which strive to apply their CSR policies throughout their supply and distribution chains. Unfortunately, this small niche of responsible business clients is not yet large enough to encourage mainstream city hotels to pursue certification.

The present lack of consumer demand for eco-certification came as no surprise to the researcher. More surprising was that this fact is also apparent to certified businesses, despite the marketing approach adopted by many of the schemes. The current findings support the conclusions of research conducted by The International Ecotourism Society (Font, 2005), that consumer demand takes time to build. The report stated:

Successful certification programmes have almost never been created because of existing consumer demand for certification. Instead, the demand develops over many years (typically 8-15, sometimes as long as 20 years), long after industry decision-makers and intermediaries have begun to use certification as part of their due diligence and purchasing criteria (Font, 2005).

While absolute guest numbers may not be currently affected by eco-certification, there may exist an impact on the type of guests attracted. Certification schemes may find a marketing application not in attracting more customers, but in attracting "better" customers in terms of their willingness to pay. Although it was considered too early to quantify the issue, one expert forecasted:

In Germany sustainability and eco-tourism are very big issues. I am sure eco-certification enhances the image of a luxury hotel and gives certain advantages PR-wise....Certification could potentially help to justify higher prices (IHG, 2011).

4.1.3 Creating demand

4.1.3.1 Certification as a guarantee of quality

Consumer demand results from the perception of value for money. A perception still exists that an environmentally committed hotel is likely to provide an experience with less comfort or quality (Toth, 2002). Not only is this perception inaccurate in many cases, but hotels operating in accordance with sustainable principles actually have the potential to improve and diversify the experience of their guests. According to Ms Maly:

Sustainability can be an add-on; a different experience. It gives more authenticity because one of the basics is that you use regional products for building and fresh local food that is different to what you would get somewhere else. Some guests will feel more at ease knowing that waste is minimised (Maly, 2011).

In order to realise potential demand, sustainability needs to be repositioned in the customer's mind. Connotations of "sacrifice for a good cause" should be replaced with associations of "quality plus", with certification providing quality assurance. The Fair Trade label faced similar challenges at the time of its inception. In order to sell fair trade coffee, it was necessary to assure customers that this was good coffee (Font, 2005). The incorporation of different aspects into one inspection, as done in fair trade and organic food (Toth, 2002), could help customers to appreciate a personal benefit from certification, over and above the peace of mind which results from supporting sustainable businesses.

4.1.3.2 Distribution channels

Consumer demand would certainly provide a strong incentive to become certified, at least for hotels which distribute their goods and services directly to their guests. This would be true for bookings made online through the hotel's own website as well as for walk-in guests, as both of these contact points would enable the hotel to communicate their environmental performance to the guest before the booking is finalised. Alternative distribution channels are increasingly being used for booking accommodation however, which adds complexity to the simple supply and demand market mechanism. The experts referred in particular to the predominance of online booking portals such as "booking.com", which have revolutionised the way in which customers find and

communicate with accommodation suppliers. The penetration of online booking in the US has been estimated to have reached 60% (Piper & Dundas, 2010). Mr Dimitriewicz raised the issue:

The question is how we could let our clients know that we are better (for the environment) than the competition. When people book online they just don't see this information (Dimitriewicz, 2011).

The information presented on such websites about each hotel is minimal, and is largely standardised across the range of most popular booking portals. The typical description includes basic details such as the location, room types and prices, and the hotel's facilities. A gallery also displays pictures of the property. Search results can be filtered according to the desired price range, star rating or guest ratings, specific location, hotel theme, the offer of particular facilities, and membership of hotel chains. The possibility for a hotel to communicate its eco-certification does exist on these sites, as the hotel could potentially include a written account in their description of facilities, or they could include a graphic of the ecolabel in the images section. From the consumers' perspective however, there would be no convenient method for identifying eco-certified businesses. The consumer would be required to read full descriptions and peruse the pictures supplied by each hotel in order to find certified businesses. The usual way to find particular information on these sites is to use the search and filtering functions which limit the amount of information presented in accordance with the customer's preferences for location, price range and facilities.

In an online analysis of five leading booking sites; Booking.com, Expedia.com, Hotels.com, Travelocity.com, and Tripadvisor.com, it was found that only one of these popular sites offer the option to filter search results according to sustainability criteria. Expedia.com includes "Green/Sustainable" as a filtering criterion under an extensive list of "Hotel Preferences". For most destinations, use of this filter dramatically limits the number of relevant search results. On closer inspection however, it may be discovered that these hotels are not necessarily certified by a recognised ecolabel and may have been subject to no more than a self-assessment procedure. Two categories were distinguished within the Green/Sustainable classification:

A Green / Sustainable Property - First Party Certified

This property has performed a self-assessment, also known as First Party certification, of its sustainable tourism practices through ECO - Encouraging Conservation in Oklahoma thus taking steps to understand its impact on one or more of the following: environment, community, cultural-heritage, the local economy. The property's

claims have not been independently verified by a second or third party certification program.

(Expedia.com, 2011)

A Green / Sustainable Property - Third Party Certified

This property participates in ECO Certification, a third-party certification program that has been independently certified. Third-party certification measures the property's impact on one or more of the following: environment, community, cultural-heritage, the local economy. An objective assessment of a company's sustainable tourism practices has been performed at this property by an auditor who is independent of the third-party certification program.

(Expedia.com, 2011)

It was proposed that the discrepancy between stated consumer intentions and their subsequent behaviours could be partly explained by the difficulty in obtaining the information needed to make responsible decisions. Expedia.com has taken a decisive step in helping to inform its customers, although it would be desirable that this feature achieves a more prominent placement on the webpage. The simple inclusion of an additional filtering option on other internet booking sites may reveal a much higher consumer demand than is currently perceived. One expert commented:

They make a filter for everything; they should make a filter for something really useful (Dimitriewicz, 2011).

It should be noted that internet booking sites do exist which promote only certified businesses, such as GreenHotelBookings.com which is limited to the US. These sites are patronised only by a small minority of those who book their accommodation online however, which limits the capability of these sites to improve the environmental performance of the industry. While similar sites maintain their current geographic limitations, it is likely that they will only attract domestic tourists and will therefore fail to realise a significant market share.

Other intermediaries were also identified as influential in the decision to become certified. While tour operators and travel agencies usually offer products which reflect customer demand, they also have the ability to push demand through the products which they package. In the case of the Hot Pitz Hotel, the products are largely distributed by a timesharing company. This has resulted in an excellent occupancy rate during what has proven to be a relatively poor season for the region. The value of this distribution channel is so great that the management of Hot Pitz would readily make minor changes to become

certified if it was required by the timeshare company (Bernreiter, 2011). This demonstrates the potential for intermediaries to generate motivation for hotels to become certified in order to strengthen their distribution chain. The question then shifts to the motivation of the intermediaries in making such demands.

4.2 A roadmap to sustainability

A primary function of certification schemes is to guide the actions of their members as they strive to improve their environmental performance. It is this service and expertise which motivates some businesses to seek certification rather than acting alone to improve their performance. As Mr Dimitriewicz from Wombats Hostels explained:

We started to act, but of course we were not in the know to know everywhere that we could improve. Maybe you think that you are doing alright, but it takes someone else to tell you that you should use this product instead of that one. So we went into this process and we learnt a lot from these guys about things that we were doing wrong before and now we are doing it better. They helped to guide our actions (Dimitriewicz, 2011).

There are examples of firms that apply for certification to improve their environmental performance but stop being certified once they have learned how to achieve the desired eco-savings, as renewing their certification does not further reduce their costs, and does not provide sufficient market advantages (Font, 2005). Previously certified businesses may have already learned how to act responsibly and implemented the necessary changes before disappearing from the statistics. In consideration of these “hidden” cases, assessment of the actual environmental benefit of certification programmes should take into account all of the businesses which at one time have been certified, rather than only those which are currently certified.

4.3 New ventures

The business case for certification is stronger for new projects which require substantial investment and are deeply concerned with strategic planning. It is at this stage of designing the business that a hotel needs the expertise of specialists the most. Secondly, the potential for long term cost reductions is greater for new buildings than for existing infrastructure due to the increased scope of possibilities and the longer payback period. Evidence also indicates that sustainable businesses may find it easier to obtain the finance they require from investors. Consultant Ms Maly observed:

Banks, who will finance projects, are already starting and will in the future, when they have a choice of buildings to finance, I think that they will choose the one which is environmentally friendly. . . . Certification is the proof of sustainable performance. The bank has not the competence to measure and evaluate individual measures (Maly, 2011)

Certification may also provide benefits when the business is offered for sale. According to the interviewees; the label communicates certain information to buyers which is relevant to the decision to purchase and yet may be difficult for them to independently verify.

We are also seeing that transaction prices or values are increasing for buildings which are sustainably built, so if you go on the market and you have a sustainability label then you know that operational costs are optimised because there are certain criteria which must be met (Maly, 2011).

Governments could further encourage the adoption of certification by new ventures using either the carrot or the stick method. Although it has so far been applied only in protected areas, new regulations could require all new developments, and potentially the existing ones, to become certified in order to obtain an operating permit. Mr Bernreiter had no hesitation in predicting the response of businesses to such measures:

If we had to be certified or go out of business then of course we would become certified. I think everyone would if they could afford it (Bernreiter, 2011).

Alternatively, incentives could be offered to businesses for registering with approved schemes. This could take the form of tax breaks or longer operating licenses, which would confer some kind of competitive advantage. It was predicted that this would increase the motivation of businesses to seek certification:

I think that it would be very attractive to other companies if they were getting something back straight away instead of just long term cost savings (Maly, 2011).

4.4 Technology adoption rates

Eco-certification schemes may be regarded as a new technology, toward which some customer groups will have reservations. These groups are risk-averse and need proof or reassurance before adopting the new technology. According to Ms Maly, this reassurance has not yet convinced reluctant accommodation providers:

At the moment, these certification schemes are (sort of) untested. Once the current case studies mature we will see an increase in the uptake of hotels” (Maly, 2010).

The diffusion of a new technology may be predicted according to a model developed by Everett Rogers. Acceptance of a technology can be shown to follow a bell-shaped curve as it becomes adopted by groups with defined demographic and psychological characteristics (Rogers, 1962).

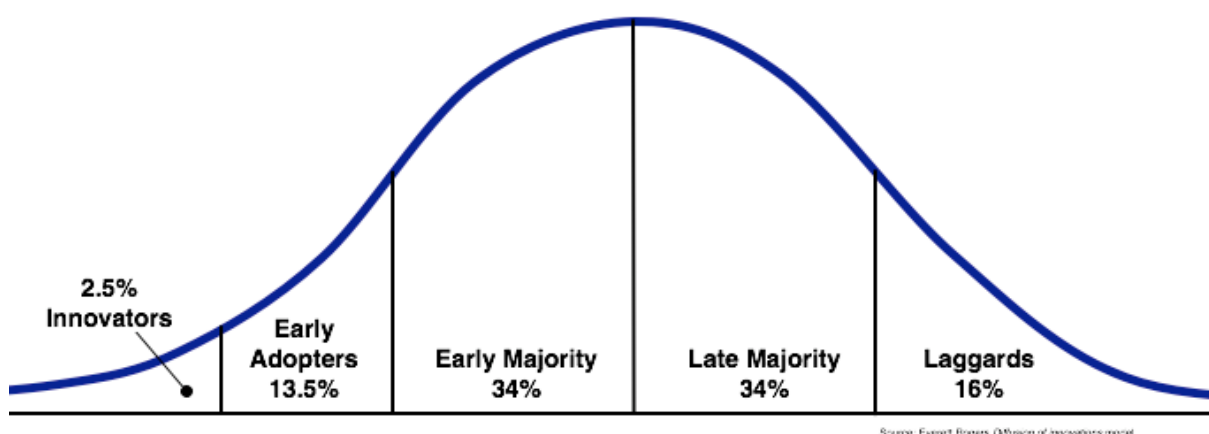


Figure 3: Diffusion of Innovations (Rogers, 1962)

With its current market penetration of less than one per cent, the technology of eco-certification schemes would appear at present to have been received only by the innovators and to be moving toward adoption by the early adopter group. Members of these groups tend to be more educated, more prosperous, more risk-oriented, and inclined to be community leaders (Rogers, 1962). The later adoption groups tend to be less educated, more conservative and less socially active (Rogers, 1962), and highly dependent on the experience of the pace-setters before committing themselves. While not all products succeed in saturating the market, it was predicted by the experts that the adoption rate for eco-labels will increase in the short term as more information becomes available to the reluctant majority.

4.5 Lack of information

One limitation to further market penetration was perceived to be the lack of credible and accountable information available. Other than the absolute numbers of certified businesses, no quantified data has been published which would help managers in taking the decision to become certified. It is not possible without hard data to conduct an accurate cost-benefit analysis, nor is it possible to compare the various schemes in order to choose

the one which will most efficiently promote the company's strategic objectives. The measurement of such data is no mean feat however, as the certified businesses interviewed were unable to conclusively state the costs of becoming certified, let alone the benefits for which the evidence is vague and anecdotal. This lack of certainty is demonstrated in the following expert statements:

Costs are going up. It is a myth that those products have the same cost as the other ones (Dimitriewicz, 2011).

We did not yet notice higher occupancy rates. I think it is too early to evaluate the impact of the certification on our occupancy (IHG, 2011).

The lack of information also creates difficulties for governments. From a public policy perspective, it remains unclear how effective and efficient certification is for improving the environmental, social, and economic performance of the industry. Few certification programmes are self-financing and most rely on government or donor funds (Font, 2002), yet the lack of reliable data makes it impossible to assess whether investing in certification is a better choice than in other policy tools. This situation makes it difficult for governments to justify the financial support of particular schemes as they run the risk of being associated with a superficial green-wash.

It would be great for us if there were subsidies or other government help because we are doing this anyway, but of course they (the government) couldn't support all of them (the certification schemes) so you (the government) would have to choose which ones to support (Maly, 2010).

The generation of credible data is an immediate need which could help all stakeholders to make better informed decisions. One investigation identified the immediate tasks of establishing performance indicators; harmonizing among different programmes; assuring compliance with normalization procedures; and reinforcing credibility through standardized baseline criteria and accreditation (Font, 2005).

4.6 Marketing of schemes

It has been widely agreed that certification programmes have not been good at marketing; that targeting consumers directly is not cost effective; and that the poor marketing performance to businesses can be partly attributed to the fact that certification programmes have no in-house marketing or communications specialists (Font, 2005). A difference was observed however, between the marketing approach adopted by publicly

funded schemes and those run by the private sector which has affected their current dispersion and the prognosis for success. Mr Reiner explained:

Publicly created and financed schemes have information as their core competence. They are generally more transparent, and they provide a valuable service in furthering awareness in the community and publicising businesses which are performing well. Private schemes must operate efficiently just to stay solvent, and may protect resources such as their criteria catalogues. In order to become profitable, they need to build their respective brands through marketing and quality assurance. Green Globe is pursuing a strong policy of online marketing, and has a presence on social media platforms. The integrity of the brand is demonstrated through a rigorous auditing procedure, external accreditation and partnerships with reputable organisations. This quality management gives credibility to the scheme and limits the public perception of a mere green-wash. While they are more expensive for hotels to join, the marketing competence inherent in private schemes makes them more likely to achieve a significant market penetration and thereby increase recognition for certified hotels (Reiner, 2011).

The growth of Green Globe to become the most widely distributed tourism certification scheme appears to support the assertion that private schemes have been more successful in marketing themselves than public schemes. Accreditation was proposed as a means of assisting the marketing efforts of certifiers, both public and private.

4.7 Accreditation

If we chose to be certified, I guess we would choose an Austrian scheme. It would probably be easier and cheaper when they (certification schemes) are basically the same anyway (Bernreiter, 2011).

The myriad certification schemes in existence have generated confusion as to exactly what is being certified. Customers are not aware which schemes they should trust and which represent a mere green-wash of non-sustainable products. Businesses seeking to participate in a particular program, and public bodies seeking to partner with certification schemes, have no way to accurately compare the various offerings due to the range of criteria addressed and the varied performance levels required for positive assessment. Furthermore, individual schemes lack the marketing resources required to achieve significant market penetration and subsequent consumer recognition. Mr Reiner proposed global accreditation as a remedy for some of these issues:

With the new international criteria that have been published and the label of the TSC (Tourism Sustainability Council), you won't have to recognise all the ecolabels when you're in India or somewhere foreign because you can still recognise the international label. That's what accreditation is for (Reiner, 2011).

Accreditation is the process of qualifying, endorsing or licensing entities that perform certification of businesses, products, processes or services (Toth, 2000). Rainforest Alliance has worked for many years to promote the development of a global accreditation body. Their work, in cooperation with the UN and other agencies, led to the formation of the Sustainable Tourism Stewardship Council (STSC) in 2007. Meanwhile, the Partnership for Global Sustainable Tourism Criteria (GSTC) was also formed in 2007 as a coalition of 27 tourism organisations, with the goal of developing a set of criteria which could be applied globally and would act as a minimum baseline for any tourism business. In September 2009, these organisations merged to form the Tourism Sustainability Council (TSC).

It is intended that the Tourism Sustainability Council will help certifiers to develop their schemes by being a forum to share industry expertise, setting benchmarks and encouraging a harmonization of policies, procedures, and standards (GSTC, 2010). Their logo should become an internationally recognised brand that facilitates consumer choice, and protects consumers, the tourism industry and certifiers against false claims. The TSC will also represent certification schemes at an international level and lobby on their behalf, thereby helping certified companies gain access to green funds, and attract political and financial support. (GSTC, 2010). This central coordination should foster increased awareness and better public understanding of certification, while helping businesses to choose between schemes based on reliable data.

4.8 Short or long term perspectives

At any given destination, the entire tourism industry depends on the physical and cultural environments for its continued success (Bartlett, 2007). This is obviously true for nature based tourism products which may need clean beaches or consistent snow falls to ensure customer demand, but it also applies to city tourism where authentic cultural experiences may be the destination's unique selling proposition, and environmental factors such as air quality or social issues like safety can constitute major impediments to visitation. Concern over such issues is increasing, and some consumers are responding to the marketing of destinations as "clean air" destinations (McCulloch, 2008).

When the very existence of the tourism industry in any given region is so inextricably connected to the maintenance of the physical and cultural environments, it follows that the accommodation providers in that area must also be affected. Indeed, each business can be seen to have a vested interest in the protection and enhancement of these environments simply for their own survival. Many businesses fail to make this connection however, as a result of short-sightedness in their strategic planning (Reiner, 2011). A SWOT analysis for the next five years may identify the threat of increasing pollution on the beach in front of a hotel, thereby encouraging the hotel to act to help clean up the local environment. A five year perspective may be insufficient however, to detect the threat of rising sea levels resulting from global warming. Without identifying the existential threats faced by the organisation, it is not possible to plan a preventative course of action.

Certain factors conspire to produce the short term orientation which seems to pervade the management decisions made by many hotels. The length of management contracts, the life-cycle of the built infrastructure, and the vitality of the managers themselves are all limited in their duration. It may be difficult for managers to reconcile long-term concepts such as sustainability with the short-term pressures affecting these finite entities. It may well be asked why a manager should care about the long term effects caused by their hotel, when the management contract, the building, and the person themselves, will all expire in the medium term.

For independent hoteliers, the question cannot be answered by reference to egoistic values, as the manager and even the hotel will not survive to enjoy the benefits. Instead, only altruistic values like “for my children”, or concern for the natural environment founded in biospheric values, can promote the adoption of a long term time orientation.

Larger operations and hotel chains have a greater motivation to adopt a long term perspective in their strategic planning. The notion of the hotel brand as an enduring entity, which may outlive the management board and even the built infrastructure, enables a cognitive shift from a mortal perspective to an eternal one. In this context, the egoistic values which dominate the business world can also provide motivation for sustainable action. It is untenable, even on purely economic grounds, to operate in a fashion which threatens the future existence of your industry.

4.9 Personal values

Business is often regarded as a soulless entity motivated purely by profit. It is relatively easy for a cynic to interpret every business decision as being compelled by the bottom-line. Even seemingly altruistic actions such as improving working conditions can be construed as an attempt to improve productivity and reduce staff turnover rates. Indeed, this paper has thus far considered only the contribution of certification to the profitability and long term survival of accommodation businesses. While profit is certainly important, it is not the only consideration of every business. Every organisational decision is taken by people, many of whom have values, principles and objectives other than the pursuit of profit. Some decisions, although taken in the board room and affecting the operation of the business, are actually made for personal rather than business reasons. A personal interest in “the greater good” was a common theme arising from each and every interview conducted.

I read an article about it (eco-certification) and it sounded good to me. I liked what they were trying to achieve (Dimitriewicz, 2011).

While the specific motivation may vary from person to person, this phenomenon can be generally understood as reflecting altruistic and biospheric values. At the same time, environmentally responsible behaviours may help to avert cognitive dissonance in the subject and to generate peace of mind. Consequently, the actions may also be interpreted as related to egoistic values. Regardless of the academic classification, this important revelation suggests that some hotel managers may seek certification even in the absence of tangible benefits for the company.

5. Conclusion and recommendations

The main findings of the study have been summarised in the following table:

Issues	Challenges	Opportunities
Lack of consumer recognition	Number of schemes. Sampling in foreign markets. Language difficulties.	Accreditation would enable international recognition and marketing synergies.
Lack of customer demand	Customer perceptions of sacrifice and higher prices. Difficulties in obtaining information.	Add more quality elements to criteria lists. Communicate these as personal benefits to customers. Communicate through more distribution channels.
Confusion over the meaning of ecolabels	Number of schemes. Variability in criteria list and assessment standards.	Enforcement of minimum standards. Standardisation through accreditation.
Marketing strategies	Lack of in-house expertise. Lack of market data. Ineffectiveness of marketing to public.	Communicate to the personal value of managers. Accreditation schemes should communicate with public.
Costs of certification	Costs of compliance, membership and audit may be restrictive.	Government subsidies could reward better performance. Future guests may accept a price premium.
Information deficiencies	Lack of comparability of different schemes. Lack of commonly defined performance indicators.	Agreement on performance indicators. Research by certifiers, accreditors, and research institutions.
Voluntary enrolment	Many businesses will not choose to register without a positive cost-benefit analysis.	Government regulation to make certification compulsory in order to obtain operating permits.

Figure 4: Summary of findings

Sustainability is the responsibility of all those involved in tourism. Tourists, private sector enterprises, governments and public agencies all have a role to play in protecting the environmental and social diversity that makes travel to other regions interesting to so many, as well as ensuring the economic viability of tourism in the long term. Knowledge is the key to this obligation, for we cannot act on information we do not have. Eco-certification functions as a tool for the communication of these important concepts, by advising businesses of how they can improve, while informing other stakeholders about which businesses are worthy of their support. As awareness permeates these groups, more decisions are being taken which demonstrate respect for the tenets of sustainability. With respect to tourists, this change can be seen to be developing fastest among business travellers, and many are optimistic that demand will continue to build among leisure

tourists. Unfortunately, the current level of demand is insufficient to entice many businesses to seek the sustainable path illuminated by eco-certification. The bottlenecks constricting consumer demand are understood to be confusion over the number and meaning of labels, and the perception that sustainability requires sacrifice. This study has revealed that governments, accreditation schemes, and the certification schemes themselves have the potential to promote further customer demand, and to provide other incentives to business to become certified.

Governments have the unique ability to offer economic incentives, to make regulations regarding the public resources they manage, and to provide central co-ordination to the highly fragmented tourism industry (Bartlett, 2007). The implementation of mandatory ecolabels rather than voluntary initiatives, in order to obtain operating permits for instance, would improve the environmental performance of the industry without reliance on the flawed market mechanism. Alternatively government subsidies could reduce the fees payable to certification schemes, thereby removing one motivational barrier to membership. A prerequisite for such concrete public support of one or more schemes would be the generation of reliable and verifiable data which facilitates the comparison of various schemes in order to determine which would most effectively achieve the stated objectives with the most efficient use of public funds.

Accreditation bodies may play a vital role in clearing the bottlenecks which constrict consumer demand. In particular, a widely distributed accreditation label could build customer recognition and trust in the myriad regional schemes which fall under its umbrella. It is hoped that the newly created TSC label will fulfil this promise. In addition, accreditation schemes can use their collective influence to lobby government for financial support; lobby booking portals for the inclusion of sustainability filters; and create publications and new booking portals to provide better exposure for their members. Accreditation bodies could also play an important role in encouraging harmonisation of the criteria lists under their umbrella to allow the compilation of performance data and facilitate comparison of various certification schemes.

There is much more that individual schemes can do to make themselves more attractive to accommodation businesses. Some managers are seeking certification despite the current lack of demand. They do this for the egoistic reasons of attracting investment and building the company image, but also out of a willingness to express their personal values through their professional practices. These altruistic and biospheric values have been largely

ignored by most schemes so far in their marketing arguments which have concentrated on the business case and offered only weak supporting evidence. Perhaps communicating to the emotions and personal values of decision makers would be more effective in stimulating new memberships. Quality elements are already included in the criteria lists of many schemes, yet many customers still perceive a personal sacrifice rather than a personal benefit from patronising certified hotels. Marketing strategies should address this discrepancy in order to promote customer demand.

The most pressing demand revealed by the study is the chronic lack of reliable data on the ultimate impacts of certification. Accommodation managers are not convinced by the anecdotal messages currently in circulation, and need documented information with which to conduct a cost-benefit analysis of certification. Specific issues which require quantification are the environmental benefits, costs of compliance, consumer demand and image perception which result from certification. Although these variables will differ from scheme to scheme, and must be therefore be calculated independently, they have nevertheless been identified as fields worthy of further academic investigation.

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Appendices

Appendix I- Interviewee profiles

Ms Martina Maly

Managing Director, Michaeler and Partner hotel consulting firm.

Michaeler and Partner offer consulting services to the Falkensteiner brand with which they are associated, as well as performing services for independent tourism providers. Ms Maly is currently engaged in a project with the ÖGNI certification label aimed at adapting the standardised criteria lists used for the assessment of office buildings to the specialised application of hotel certification. The interview was conducted in person at the Michaeler & Partner offices, Vienna, in February 2011.

Mr Sascha Dimitriewicz

Founder and CEO of the Wombats chain of hostels.

Wombats hostels are located in Vienna (3), Munich and Berlin, with plans for future expansion within Europe. The hostels have enjoyed an astounding occupancy rate of around 80% in recent years, and attract an almost exclusively international clientele. Despite the predominance of international source markets, the Austrian branches have been certified by the Österreichisches Umweltzeichen (Austrian ecolabel) since 2006. The interview was conducted in person at the Wombats Naschmarkt Hostel, Vienna, on March 23rd, 2011.

Interviewee remains anonymous

Marketing Director for an InterContinental Hotel in Germany.

As is the case with all other Intercontinental Hotels in Germany, the hotel in question is certified by Green Globe. Clearly the decision to become certified was a strategic one made by top management, and not by the individual hotels. Consequently, the marketing director was only questioned about specific communications with various market segments, a field in which she is highly competent. The interview was conducted in via email correspondence during February and March, 2011.

Mr Karl Reiner DI

Senior Consultant-ÖAR Regionalberatung GmbH and accredited Green Globe auditor.

A consultant for sustainability in tourism for more than twenty years, Mr Reiner was a co-founder of the European Network of Experts for Sustainable Tourism ECOTRANS, and remains a board member. He has worked on the development of criteria for the Austrian Ecolabel for Tourism Businesses (Österreichische Umweltzeichen), and the criteria for the Austrian Ecolabel for Travel Packages. Mr Reiner now brings this experience to his role as an auditor for Green Globe, where he is recognised as a Preferred Partner. Green Globe has certified over 1000 accommodation businesses in more than 75 countries worldwide, making it the widest distributed certification scheme on the planet. The interview was conducted in person at the ÖAR offices, Vienna, in March 2011.

Mr Bernreiter

Owner of several independent hotels throughout Austria, and owner/manager of the Hot Pitz Hotel, Tirol.

As a highly experienced hotel proprietor, Mr Bernreiter has many years of experience in making strategic and operational decisions regarding the function of his hotels. Distribution of available rooms at the Hot Pitz Hotel is primarily performed by the RCI timesharing company, with only very limited distribution of the inventory from the hotel directly to the public. This choice of distribution channel was highly influential when Mr Bernreiter took the strategic decision not to seek certification for Hot Pitz at this time. The interview was conducted in person at the Hot Pitz Hotel, Tirol, in February 2011.

Appendix II- Customer survey questions and results

The survey was conducted by David Leonard and Sara Viera at the reception of the Hotel Palace, Vienna, during December 2010 and January 2011.

Questionnaire - 74 total

Age

18-24	14	45-55	21
25-34	12	Over 55	9
35-44	18		

Gender

Male	39
Female	30

1. Please rank these considerations when booking a hotel

(1=most important, 9=least important)

Price	1	Cleanliness	3	Environmental performance	7
Loyalty programs	8	Location	2	Local attractions	=6
Accessibility	4	Facilities	5	Star rating	=6

2. Vienna enjoys a high quality water supply sourced from the Lower Austrian-and Styrian Alps. Hotels which use water saving devices such as low flow faucets help to ensure the future use of this valuable asset while reducing the need for chemical processing of waste water.

a) It should not be done 0 b) It is not important 0 c) It should be done 55 d) I will benefit 0
e) I seek such features 19

3. The use of renewable energy sources by a hotel, such as solar or wind power, help to reduce the emission of greenhouse gases into the environment.

a) It should not be done 0 b) It is not important 0 c) It should be done 39
d) I will benefit 9 e) I seek such features 26

4. The use of energy saving appliances and LED lighting help to reduce the amount of energy used in the hotel, which reduces the emission of greenhouse gases.

a) It should not be done 0 b) It is not important 0 c) It should be done 50
d) I will benefit 11 e) I seek such features 13

5. Recycling within the hotel room and the reuse of linen help to reduce the impact of your stay on the environment.

a) It should not be done 0 b) It is not important 0 c) It should be done 45 d) I will benefit 6
e) I seek such features 23

6. Hotels which offer locally sourced, bio, seasonal products capture the flavours of the region while requiring less transport and support the local population.

a) It should not be done **0** b) It is not important **3** c) It should be done **32** d) I will benefit **17**
e) I seek such features **22**

7. Hotels which use acoustic quality devices to reduce sound pollution have a positive effect on guests' comfort and relaxation.

a) It should not be done **0** b) It is not important **0** c) It should be done **32** d) I will benefit **20**
e) I seek such features **22**

8. The use of technologies to improve air quality improves the health of guests and hotel employees.

a) It should not be done **0** b) It is not important **2** c) It should be done **22** d) I will benefit **25**
e) I seek such features **25**

9. The use of public transport to reach the hotel minimizes environmental impacts.

a) It should not be done **0** b) It is not important **12** c) It should be done **39** d) I will benefit **6**
e) I seek such features **17**

10. Hotels can inform guests about their efforts towards sustainability through certification labels such as Green Globe 21 and ÖGNI.

a) It should not be done **0** b) It is not important **10** c) It should be done **28** d) I will benefit **14**
e) I seek such features **22**

11. Would you be willing to pay more to stay in a hotel which is concerned about the environment?

No **30** Yes **44** If yes, how much more? **10-30%, €10-30**

12. When offering the same price, would you prefer a hotel with or without certification

Hotel with certification **70** Hotel without certification **4**